

The President. We haven't worked out the details on how it's going to be done. The two committees have slightly different positions, as you probably know. But I think that in the end there will be further cuts and there will be, I'm convinced, a much more substantial reduction in the deficit than the estimates show. I feel good about it.

NOTE: The exchange began at 9:17 a.m. in the Old Family Dining Room at the White House. A tape was not available for verification of the content of this exchange.

Exchange With Reporters Prior to a Meeting With President François Mitterrand of France

March 9, 1993

Russia

Q. Mr. President, are you going to accept Russia into the G-7 and hold an emergency summit meeting of heads of state involved also on the economy?

President Clinton. Well, I intend to discuss the Russian situation with President Mitterrand today. And obviously, whatever the United States does, we hope it will be part of a coordinated effort. But in terms of mechanics, no decision has been made.

Q. Do you think a compromise is possible on a special meeting of the G-7, discussing maybe Russia and the economy both together?

President Clinton. I don't think it's a—we're at a point even to make that decision yet. As you know, the Japanese have been somewhat reluctant to have any kind of special meeting, looking toward their own meeting they're hosting in Tokyo this summer. But I think that we will—let me say this, I think we will all, the G-7, be dealing with the issue of Russia before July in some form or fashion. How that will happen, I can't say yet. That's one of the reasons I was looking forward to this meeting with President Mitterrand.

Q. Did President Nixon talk you into talking Japan out of opposing Russia's participation?

President Clinton. No, we had a great meeting. But we were pretty much on the

same wavelength. And we have been pretty much on the same wavelength on this issue for more than a year now. And he gave me a lot of very good ideas. It was a good meeting.

Q. So you forgive him for Watergate?

President Clinton. Is there another round?

Q. The French.

President Clinton. Now, Mr. President, it's your turn. I'm going to smile and look wise. [Laughter]

Q. Did you have a good trip?

President Mitterrand. All is well.

Q. How's the first contact going?

President Mitterrand. As you can see, you will know later.

Q. Do you speak some French, Mr. President?

President Clinton. No, but I understand a little. I can pick up the questions a little.

Q. What's the first order of business with President Mitterrand?

President Clinton. Well, we want to get acquainted and talk about some matters of mutual concerns. We'll discuss that later.

NOTE: The exchange began at 10:35 a.m. in the Oval Office at the White House. A tape was not available for verification of the content of this exchange.

The President's News Conference With President François Mitterrand of France

March 9, 1993

President Clinton. Good afternoon. It is a great pleasure for me to welcome President Mitterrand to the White House at this early date in our administration.

Our two nations share a friendship which dates back to the revolutionary birth of both countries, rooted in common values of equality, liberty, and democracy. These bonds of culture, of history, and of common purpose have made possible a remarkable amount of cooperation in recent days in meeting the challenges in Iraq and Somalia and Bosnia.

Today President Mitterrand and I discussed the global partnership that we must bring to the post-cold-war world, new uncertainties and new opportunities. Both our nations and both our continents are renewing institutions of security and economic growth for this era.

I salute President Mitterrand and the French people for their leadership. Their exemplary contribution to the United Nations peacekeeping operations around the globe is just one of many examples of the contributions they have and will continue to make.

This morning we discussed Russia, Bosnia, and the progress toward European union. Over lunch we will discuss other issues including the Uruguay round of trade talks. We have differences on some issues. Clearly, we need French leadership to resolve some outstanding differences but also to make common cause in the areas in which we agree.

Both our nations are great trading nations and have much to gain by resolving the differences between us and moving the world toward a growing global economy. I am very, very hopeful that the United States and France can be partners in updating our common interests and in leading the G-7 toward coordinated policies of global economic growth and especially toward action in dealing with Russia.

President Mitterrand is going to Russia soon, and he will be there and back before I have an opportunity to meet with President Yeltsin in April in Canada. I look forward to closely consulting with him about that again after his trip to Russia.

We talked a little bit about the Vance-Owen peace process today, and you might want to ask President Mitterrand about his views on that. Let me say that I have been very pleased with the comments that he has made today and with the possibilities that we might have toward working together to secure a peace in Bosnia.

There are many challenges facing the great democracies of the world today. We have to reaffirm our support for the difficult transformations to democracy now taking place in the former Soviet Union and in central and eastern Europe, to reaffirm our interest in closely cooperating to advance peace in the Middle East and elsewhere in the world, and

to promote democracy and economic growth throughout the world.

We made a very good beginning this morning, and I want to publicly thank the President, as I have privately, for the enormously helpful conversations we had this morning. He has been at this work longer than I have by several years. I learned a lot today. I appreciated his candor and the insights which he brought to our discussion. I look forward to continuing over lunch and to continue a long and significant relationship between the United States and France.

And I thank you, Mr. President. And the microphone is yours.

President Mitterrand. Ladies and gentlemen, I think everything that needs to be said has been said. At least everything has been said about what we talked about and about what we will be talking about during the time that remains for our meeting. So I haven't really anything to add, while waiting for questions that you may wish to ask.

On the other hand, I would like to recall, just as President Clinton has just done, I'd like to recall that for Frenchmen it's always a very important moment, it's a real event, and it's a very happy moment to be coming to Washington in order to meet with the President of the United States of America. And so it is with the same keen interest that today I'm here in this capital city in order to meet a President whose fame has already encompassed the world several times but whom I'd never met.

And now we have had useful conversations. And the subjects that we've talked about, as mentioned by President Clinton, these subjects have given us the opportunity of seeing that our positions were very similar. And it is pleasant to note, particularly as the subjects are very difficult subjects, Bosnia, former Yugoslavia, the revolution that is taking place in Russia and in all the countries of the former Soviet Union, and all this is very important.

President Clinton has shown a keen interest in the future of the European unity. And I gave him my feelings and what I was committed to myself. We still have matters to talk about. There are interests of which oppose us, which is perfectly natural, between our countries. That's in the nature of things.

But there is a real determination to reach agreement. And that is, I think, which is the leitmotiv of all our conversations. And I'm delighted with the hospitality extended to me. I appreciate this very warmly, very much.

And I wish to express my warm thanks, at the same time, to the members of the press who have been good enough to be present here today. Now, I am at your disposal, as you are, doubtless, yourself, Mr. President, at the disposal of the curiosity of the ladies and gentlemen of the press. I'm sure they'll be very discreet. They won't ask much.

Bosnia

Q. President Clinton, did you discuss at all the specifics of a possible American contribution of ground troops in the enforcement phase of a peace agreement in Bosnia?

President Clinton. Only in the most general terms. I restated the position of the administration, which is now well-known in the public, that we were opposed to the introduction of American ground forces to try to mandate an agreement or to in any way engage in the present conflict, but that if an agreement could be reached, that the United States would be interested in being part of a United Nations effort to secure the agreement.

Q. Mr. President, you said that both of you have reached some sort of agreements on new efforts in Bosnia. Can you tell us what they are?

President Clinton. No.

Q. And also, I would like to ask President Mitterrand how can European leaders ban the slaughter, in view of the lead-up to World War I and World War II, similarities of the hatreds and abuses that have led now to these conflicts?

President Clinton. Shall I go first? The only agreement we made with regard to Bosnia was that it would be an error for France to increase its troops or for the United States to introduce troops to become embroiled in the conflict but that we both should be prepared to make our contributions to securing the agreement if the Vance-Owen process could produce one.

President Mitterrand. Madam, no more than you do, we just do not accept violence, violence of any kind, the violence that is tak-

ing place in particular in Bosnia. A problem for us—and we have the responsibility of defining the policies of our countries—our problem is to know how, by what means, what means do we have and what means should we employ in order to get the results that we all want, which is peace or at least the end of violence.

And in that respect, may I remind you that France is participating in the United Nations efforts. France is actually the country that is at present supplying the most numerous troops, military contribution to the U.N. efforts, more than—well, almost 5,000 men right now. And we already have lost 12 people killed and more than 100 wounded.

Our position is very simple to express but, of course, difficult to implement. We approve the Vance-Owen plan. We want it to be successful. We see in what way it is not perfect, but this instrument, well, we know of none better. And as it is the best of the possible plans, right now, as of today, we support the Vance-Owen plan, and we want it to be the basis of an agreement.

So if it does succeed, if it gets the agreement of the three parties concerned—one might almost say four parties or five even—in other words, if you include the three countries which are Croatia, Serbia, and Bosnia, but there are also the Serbs in Bosnia and perhaps the Croats in Bosnia, et cetera. So if the agreement is reached—and for the moment it is under discussion, as you know, as a whole series of discussions that are taking place and will take place, and I'll have occasion to take part in them myself in the next few days. And the purpose of all these discussions is to get the Owen-Vance plan accepted, agreed. If it is agreed, thanks to discussions and possibly modifications, but if it ends up by being agreed, accepted, then we think that immediately it will be necessary to set up without the transition taking too long—and if it could be immediate transition, it would be even better—we think we must ensure military presence in order to ensure the full respect for the agreements reached, so that the passions and local animosities should not immediately prevail. And in that respect, France is prepared to participate in this force of peace under the authority of the United Nations.

Russia

Q. [*Inaudible*—have an emergency meeting of the G-7 sometime before the July summit in order to deal at the clinical level the question of Russian aid? And, if not, how do you propose breaking what seems to be the gridlock between the Russian Government and the international lending institutions?

President Clinton. The short answer to your question, I suppose, is yes. I think it is entirely possible that such a meeting might be useful. Whether a meeting is possible or not depends in part on the response of the other members of the G-7. The Japanese, as you know, have territorial disputes outstanding and also have put a lot into the upcoming meeting in July. Perhaps there is some other way that we can engage the G-7 in trying to address the Russian situation.

I guess the important point I'd like to make is, I don't believe we can wait until July for the major countries of the world who care about what happens in Russia and who would like very much to keep political and economic reform on track there to move. And President Mitterrand is going to Moscow, and then we'll talk when he gets back. Then I'm going to Canada. And at the conclusion of that meeting, if not before, I will try to move to mobilize others to act in this regard whether or not it is possible to have a formal G-7 meeting.

Bosnia

Q. Did you get the impression that President Clinton would be prepared to, in fact, move in, in former Yugoslavia once an agreement is reached?

President Mitterrand. Yes, well, he has just expressed himself on this a moment ago. He said that he did not want to engage in a military campaign on the basis of a disagreement among the parties concerned. And that is exactly the same position as France.

But the President also indicated that he was prepared to examine the possibility of having an American presence in the framework of all the steps that will be taken for the implementation of an agreement, once an agreement is reached, if the agreement is reached.

Russia

Q. Did you specifically talk about Russia?

President Mitterrand. Well, I am glad you asked me the question, too, because it was already a question for President Clinton. I'm in favor of what you are suggesting, an earlier G-7. I think it's even necessary, because there are problems specifically in Eastern Europe and in Russia that are urgent, quite apart from many other problems. I also know about the Japanese opposition to the idea. Perhaps Japan is not having sufficient regard in this respect to the importance of events that are taking place mainly in Europe. I have already given my agreement to Mr. Delors anyway.

Middle East Peace Talks

Q. Did you discuss with the French President at all the Middle East peace process? And are you optimistic, for the next round of talks, that Syria comes to an agreement with Israel?

President Clinton. We have not discussed the Middle East yet. We will over lunch. Yes, I am hopeful.

Health Care Reform

Q. Mr. President, may I ask, regarding your health care reform, now that you're so deeply involved in trying to find more budget cuts, what is your expectation for when you would start seeing some savings from health reform? And should Americans expect that they will have to settle for reduced core benefits unless they can pay more, of course—

President Clinton. No.

Q. —for some sort of reduced services in order to achieve these savings?

President Clinton. No, I don't necessarily accept that. Of course, we have 400 people working on this now and consulting widely with all the people involved in the health care issue.

Let me answer your first question pointedly. I believe, under all the scenarios I have seen that I think are possible, we would see immediate savings in the private sector if we were to adopt a comprehensive health care reform package. That is, private employers and employees would see the rate of their insurance premium increases drop rather dramatically and there would be really sig-

nificant savings immediately in the private sector.

Because those savings in the public sector would have to be used to provide some insurance at least to the unemployed uninsured, who are about 30 percent of the total population of uninsured—at least to them—it might take 4 years or so before we would start seeing significant taxpayer savings. But interestingly enough, that's about the time we need it. That is, if you look at all the scenarios, the deficit can be brought down under our plan for 4 years, and then if health care costs are not brought under control, it will start up again in the latter part of this decade. So we certainly believe that the health care plan would bring the deficit down virtually to zero over the next 8 to 10 years.

Now, will people have to accept a lower quality of health care? I just dispute that entirely. We're already spending 30 percent more of our income than any country in the world. I don't think that—

Steel Subsidies

Q. Yesterday the United States imposed some tithes, additional tithes on some products of steel. The argument is that the subsidies are unfair. But the other side says that the subsidies are not unfair. What is the middle ground? What do you think can be negotiated? And, also, I would like to hear the response of President Mitterrand.

President Clinton. First of all, I want to make it very clear that the steel case was a case which was made on the basis of the facts, and waiting for me when I took office as President and waiting for our Trade Ambassador. So the real question was whether we would act consistent with the work that had been done before we took office, based on the evidence that had been amassed then. And we decided that we had to proceed with that to provide the continuity of the enforcement of our trade laws.

I think the ultimate resolution of all these things is to continue to work for a more open trading system. I am strongly committed to a successful completion of the Uruguay round this year and to taking other measures which will open markets all around the world and reduce trade barriers. And I'm going to do everything I can to be instrumental in that

regard. In order to get there, every nation has to have some mechanism to protect itself if there is uneven treatment. And we'll always have factual arguments about what is even and uneven, but I think the key is, are we moving toward a more open trading system or not?

International Arms Sales

Q. How can we stop wars as long as the United States permits the sale of arms around the world by our CIA agents and by bringing in arms from China? And now, faced with the proposition from the Soviet—Russia that we let them sell conventional arms around the world to aid their economy, how can we get wars to stop under those conditions?

President Clinton. I think both of us should answer that question. President Mitterrand will be the company misery loves on that question. [Laughter]

I believe the United States has an obligation to try to stop the proliferation of weapons of mass destruction and to slow the proliferations of weapons generally throughout the world. It is not a simple or an easy thing to do. And our ability to do it is limited by the sovereignty of other nations and by the policies they pursue. But I can assure you just since I have been in office, and on more than one occasion, I have done what I could within the means available to me to try to limit proliferation, and I will continue to do that.

Since you brought up Russia, let me say again, one of the reasons I think it is so important for us to try to move aggressively to give the Russians the means to restore some economic growth and opportunity and preserve political liberty is that as other options close to them, they will be more and more and more forced to look upon their capacity to sell arms as the only way they can earn foreign currency, the only way they can keep the economy going, the only way they can keep a lot of their factories open. So I think the case you have made and the question is a powerful argument for the policies we are attempting to undertake with Russia.

Mr. President.

President Mitterrand. Well, I might simply recall to the lady who spoke that it was

in Paris at the end of an international conference—well, it was the largest ever number of participants. It was in Paris, then, that there was the signature of the convention on the prohibition of chemical and biological weapons; furthermore, that France has always approved the various plans for limiting nuclear weaponry signed between the United States of America and the Soviet Union in the past and more recently with Russia. And France took the initiative of stopping nuclear testing precisely in order to give everyone time to reconsider the possibility of bringing them to a definitive end, with the end of over-armaments in this area.

So I think that there is a very favorable ground here. The reduction of armaments, though, can only be conceived with the ending of sales of armaments. This can only be conceived in the framework of an international negotiation. No country otherwise could afford to place itself in a situation of danger, in fact, if the other countries don't do likewise and make the same effort. But we're certainly prepared to move ahead in this direction.

Trade

Q. Mr. President, you heard President Clinton and his administration in recent months challenging Europe on steel, on agriculture, on civil aircraft. I know that that part of your discussion will be for lunch, but what is your viewpoint?

President Mitterrand. Well, we decided to talk about this later on, so it's difficult for me to accelerate things all alone just of my own accord. I can't jump the gun. But President Clinton probably knows as much as you do about my frame of mind and the frame of mind of France, in this respect, which can be summed up in a word: international negotiations of GATT is trade negotiation so as to eliminate protectionism, precisely. And it's an overall comprehensive negotiation, global negotiation which doesn't touch all sectors but many, many sectors and, therefore, not only farming and agriculture.

If one, therefore, looks at the discussion solely from the point of view of agriculture, then it can't work. If, however, it is looked at in the form of a balanced negotiation, covering the various sectors that are involved,

of industries, services, intellectual property, and so on, then there's no reason not to be able to succeed. And in that respect, what France wants is that there should be a success of this, because I share the view expressed by President Clinton a moment ago which is that it is better we will be able to succeed in this respect, then the sooner we will get out of the present recession, the present crisis, the present problems. But at the same time, we mustn't isolate and separate off subjects and just deal with them piecemeal. No, we mustn't do that, which is what happens only too often nowadays.

Spending Cuts

Q. Several questions have been raised by your agreement to cut spending further here. First among them is why you've agreed to general budget cuts without the specifics when you have for so long been demanding specifics of others who wanted to cut the budget further. Also, Senator Sasser said outside that while you have not agreed to necessarily \$90 billion in further cuts, that is about as far, he suggested, that you feel they could go without harming the economy. Is that the case, that \$90 billion is it and no more suggestions need be made?

President Clinton. There are two different questions there. First of all, in this budget resolution there is an attempt to deal by both the Senate and the House Budget Committees, an honest attempt to deal with the so-called reestimates of the Congressional Budget Office; that is, to get even more deficit reduction. And I believe it will produce far more than we even estimate. They have to decide to get the budget resolution passed by category. But I assure you that we will be very specific before the process is over.

It is true that I think that we have cut the deficit in a 4-year period about as much as we should with these new numbers. But that doesn't mean we don't need more specifics, because we have to define how we're going to cut. And since I also strongly believe we have to increase our investments in education and training and in new technologies and in the things which will make our economy grow, it means we need all the suggestions we can get about other places we can

cut the budget, and we will need to do that until the budget is finally passed.

So I strongly support that. The Vice President, as you know, is heading the performance review audit of the entire Federal Government. And the more specific suggestions we can come up with that everyone agrees with, the fewer controversial and potentially damaging cuts we'll have.

Let me just make the economic argument. Our deficit reduction package—and Senator after Senator said today, you know, that this is the most credible budget I've seen in 15 or 17 or however many years—it is producing the desired results: low interest rates, stock market back up and doing well.

We have to deal with that against a backdrop of a Europe that's had slow growth, Japan with some serious economic problems and no political consensus about what to do about it in Japan. So we want to do what our European and Japanese friends have been telling us for years we should do, get our deficit under control. But we want to do it at a moderate pace so that we don't throw the United States back into recession and further complicate the economic problems of Europe, which will be helped by a growing American economy. So I think we've struck the right balance, and that was the point I was making to them.

Middle East Peace Talks

Q. President Clinton, concerning the Middle East, you said that your country intends to play the role of a full partner in the peace process. How do you intend to translate this? And what would you tell Israeli Prime Minister Rabin when you receive him next week so that to resume the talks, especially concerning the Palestinian deportees?

President Clinton. Well, I think that what we mean by a full partnership was evidenced by the fact that the Secretary of State's first trip abroad was to the Middle East and that he made aggressive efforts there to try to get the talks back on track and to involve as many parties as possible. In terms of what I will tell Prime Minister Rabin when he comes back, I won't say anything I haven't said in public about the deportee issue or anything else. We are working together. I feel comfortable and confident that he very much

wants the peace process back on track, and I will support that.

Civil Aircraft Agreement

Q. What specific revisions do you want in the agreement on civil aircraft? And are you prepared to abrogate last year's agreement?

President Clinton. No, no, absolutely not. I think to some extent my remarks in that regard have been misunderstood, and they may be my fault. I support last year's agreement. The point I was trying to make is this: The United States had a big lead in civilian aircraft. Arguably, it was contributed to by the massive investments we made in defense and the spinoff benefits. That was always the European argument for their own direct subsidies in the airbus program, that we had indirectly done the same thing through defense.

It costs a great deal of money to develop new aircraft, to break into new markets, and to go forward. The argument I was trying to make to the Boeing workers last week, and I will restate it here, is that the adversity they have suffered in the market is through no fault of their own. That is, they have not failed by being unproductive or lazy or asking for too much but that Europe was able to penetrate this market because of the airbus policy. And the blame I placed was on our Government for not responding, not Europe's for trying to get in. That was their right; it was legal under international law, and they did it. Now, we chose instead to try to convince them to stop doing as much as they were doing, which produced the agreement to which you just alluded. I strongly support that agreement. I do not want it abrogated; I want it enforced.

My policy now on this—and I don't want to prejudge the work that the commission we're about to appoint—Congress is going to pass a bill in the next few days—we're going to appoint a commission on the future of our commercial airlines company and our airline manufacturers. I don't want to prejudge that, but my policy basically has two points: Number one, the agreement must be honored and strictly adhered to. And, number two, the agreement leaves the United States as well as Europe the opportunity to significantly invest in the development of

new technologies for new generations of aircraft, and we have to take that opportunity in order to be competitive. And I appreciate your asking the question because it gives me the opportunity to clarify my position.

Thank you very much.

NOTE: The President's fifth news conference began at 12:20 p.m. in the East Room at the White House. President Mitterrand spoke in French, and his remarks were translated by an interpreter.

Letter to Congressional Leaders on Nuclear Cooperation With EURATOM

March 9, 1993

Dear Mr. Speaker: (Dear Mr. President:)

The United States has been engaged in nuclear cooperation with the European Community for many years. This cooperation was initiated under agreements that were concluded over 3 decades ago between the United States and the European Atomic Energy Community (EURATOM) and that extend until December 31, 1995. Since the inception of this cooperation, the Community has adhered to all its obligations under those agreements.

The Nuclear Non-Proliferation Act of 1978 amended the Atomic Energy Act of 1954 to establish new nuclear export criteria, including a requirement that the United States have a right to consent to the reprocessing of fuel exported from the United States. Our present agreements for cooperation with EURATOM do not contain such a right. To avoid disrupting cooperation with EURATOM, a proviso was included in the law to enable continued cooperation until March 10, 1980, if EURATOM agreed to negotiations concerning our cooperation agreements. EURATOM agreed in 1978 to such negotiations.

The law also provides that nuclear cooperation with EURATOM can be extended on an annual basis after March 10, 1980, upon determination by the President that failure to cooperate would be seriously prejudicial to the achievement of U.S. non-proliferation objectives or otherwise jeopardize the common defense and security and after

notification to the Congress. President Carter made such a determination 13 years ago and signed Executive Order No. 12193, permitting nuclear cooperation with EURATOM to continue until March 10, 1981. President Reagan made such determinations in 1981, 1982, 1983, 1984, 1985, 1986, 1987, and 1988, and signed Executive Orders Nos. 12295, 12351, 12409, 12463, 12506, 12554, 12587, and 12629 permitting nuclear cooperation to continue through March 10, 1989. President Bush made such determinations in 1989, 1990, 1991, and 1992, and signed Executive Orders Nos. 12670, 12706, 12753, and 12791 permitting nuclear cooperation to continue through March 10, 1993.

In addition to numerous informal contacts, the United States has engaged in frequent talks with EURATOM regarding the renegotiation of the U.S.-EURATOM agreements for cooperation. Talks were conducted in November 1978, September 1979, April 1980, January 1982, November 1983, March 1984, May, September, and November 1985, April and July 1986, September 1987, September and November 1988, July and December 1989, February, April, October, and December 1990, and September 1991. Formal negotiations on a new agreement were held in April, September, and December 1992 and are expected to continue this year.

I believe that it is essential that cooperation between the United States and the Community continue, and likewise, that we work closely with our allies to counter the threat of proliferation of nuclear explosives. Not only would a disruption of nuclear cooperation with EURATOM eliminate any chance of progress in our negotiations with that organization related to our agreements, it would also cause serious problems in our overall relationships. Accordingly, I have determined that failure to continue peaceful nuclear cooperation with EURATOM would be seriously prejudicial to the achievement of U.S. non-proliferation objectives and would jeopardize the common defense and security of the United States. I therefore intend to sign an Executive order to extend the waiver of the application of the relevant export cri-